

**Kosovo Agribusiness Development Program**  
**Quarterly Report December -- February 2002**

**Submitted by**

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## List of Commonly-used Acronyms

ABK	American Bank of Kosovo
ABMU	Agri-business Monitoring Unit
ABU	Agri-business Unit (part of EAR)
ADABU	Association Development and Agri-business Unit
ADU	Association Development Unit
AKA	Alliance of Kosovar Agribusinesses
Anadrini	Drini Valley Vegetable Producers Association
APSU	Agribusiness Policy Support Unit
BP	Business Plan
CFA	Central Fiscal Authority (of UNMIK)
CORDAID	Catholic Organization for Relief and Development
CPC	Crop Protection Chemical(s)
EAR	European Agency for Reconstruction
ED	(Association) Executive Director
EFRP	Emergency Farm Reconstruction Project (under FAO)
EMDU	Extension/Market Development Unit
FAO	Food and Agricultural Organization of the United Nations
FFP	Food for Progress
FINCA	Foundation for International Community Assistance
IFDC	International Fertilizer Development Center
KADP	Kosovo Agribusiness Development Program
KASH	Agribusiness Council of Albania (Albanian acronym)
KBFF	Kosovo Business Finance Fund
KBS	Kosovo Business Support
KNAP	Kosovo NGO Advocacy Program
KODAA	Kosovo Dealers of Agri-inputs Association
KSB	Kosovo Statistical Bureau
KTA	Kosovo Trust Agency
LBK	The League of Beekeepers of Kosovo
MAFRD	Ministry of Agriculture, Forestry and Rural Development
MTI	Ministry of Trade and Industry
NGO	Non-governmental Organization
SHPUK	Kosovo Association of Poultry Producers and Feed Manufacturers
SHMK	Kosovo Flour Millers Association
SOE	Socially (State) Owned Enterprise
STC	Short Term Consultant
TADAFRD	Transitional Administration of Department of Agriculture, Forestry and Rural Development
TTC	Technology Transfer Center
UNMIK	United Nations Mission in Kosovo
USAID	United States Agency for International Development
USG	United States Government
VAT	Value Added Tax

# **Kosovo Agribusiness Development Program**

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### **Introduction**

*For consistency and ease of understanding, the Kosovo Agribusiness Development Program (KADP) quarterly reports largely follow the format of the work plan submitted to the United States Agency for International Development (USAID) in June 2001. Progress is reported for each of the six program areas (association development, policy analysis and implementation, private sector extension services, agro-processing and marketing, credit facilitation, and trade and procurement) and for two service areas (monitoring and evaluation, and media and publications). Monthly reports to the USAID project manager contain more extensive and detailed information on KADP activities and progress.*

### **Highlights of Program Achievements**

**Trade Associations.** All five associations have paid their dues to AKA for 2001 and two of the five have paid their dues for 2002. A KADP staff member was selected for advocacy training under the USAID KNAP project. As a trainer, he will pass advocacy knowledge to the association members to assist each association and AKA build advocacy skills.

An inputs dealer directory was prepared for KODAA with funds provided almost entirely from advertising. SHMK initiated actions for a joint purchase of wheat, but the transaction was not completed due to some members concerns over price despite higher quality. SHPUK submitted a joint bid on the FFP maize, but were not successful. Members are in the process of paying dues with approximately 50% of the former membership having renewed their membership.

KODAA and SHMK held general meetings featuring guest speakers. In addition KODAA, SHMK and SHPUK held multiple board meetings. KADP staff conducted several seminars to provide information on recent developments related to the recently introduced VAT, maize and soybean demonstration plots, and financial statements. Additionally, AKA and SHMK were contacted by the CFA to respond to the increase in bread prices.

**Policy.** Following the establishment of AKA in September 2002, AKA developed and implemented a membership dues structure and began introducing additional fee-generating services. These actions resulted in an income of EUR 2,600+ for the quarter, primarily from membership fees, but including newsletter advertising and other services. Proposals for additional fee-charging services, particularly in the area of agricultural accounting and tax advisory services, were developed.

During the quarter, project staff worked to build up AKA's advocacy capacity and overall membership. One local staff member received training on the USAID Kosovo NGO Advocacy Program-KNAP. Several staff members (Associations' Executive Directors and the Extension Officer) participated in a US study tour designed to expose them to the operational procedures of a mature Association and more importantly to provide insight to the number of activities

conducted by the Association (Agribusiness Association of Iowa) on behalf of its members. Additional activities included negotiations with the Kosovo Bakers Association after its expression of interest in joining AKA and development of plans to upgrade the regional Anadrini into a Kosovo-wide association.

Although a refocusing of project priorities in January 2002 resulted in the cancellation of a number of planned policy STCs, IFDC proceeded with the STC to draft fertilizer legislation for Kosovo and to provide a framework for implementation of the draft regulations. Project staff also provided feedback to EAR and TADAFRD STCs working on seed and CPC legislation.

As a result of refocused project priorities and delayed actions by UNMIK, a holding position on tax/tariff reform and commercialization/privatization has been adopted. However to maintain preparedness and to support AKA's position at the policy table, staff member(s) continued participation at the CFA roundtable and made plans to participate in an international privatization seminar in Budapest in April.

**Private Sector Extension Services.** During the quarter, project staff completed modifications to the 2002 Work plan to reflect activities through November, 2002 by including:

1. Greater collaboration with MAFRD and other donor-funded projects in establishing major "on farm demonstrations" based on technology package of "Best Practices" for wheat and maize demonstrated previously by KADP;
2. Expand project demonstration trials in spring crops, forage crops and management regimes for animal fodder production
3. Train poultry producers in least-cost feed formulations and provide on-going assistance;
4. Focus on providing market recognition and maximizing income generation for both the Association members and the private farmers through enhanced media campaign.

The planting of two winter wheat demonstration fields testing thirty new winter wheat varieties was completed. Two demonstration fields with eight new spring wheat varieties are scheduled for planting in early March. Spring wheat provides an alternative to the traditional winter wheat crop in the event adverse climatic conditions or disease infestations significantly reduce yields.

A crop diversification program, which includes field experiments to introduce legume crops such as vetch, lentils and cowpeas as alternative sources of proteins for the livestock and poultry, was prepared. Field trials will be conducted this spring. Staff prepared a technical brochure that described the characteristics of each plant and provided information on crop establishment and management.

As part of Technical Master Plan for SHMK and SHPUK, three additional brochures were prepared on poultry diseases; brucellosis and flour quality. The number of published AKA newsletters was increased to 1000 copies, some of which will be distributed directly to farmers.

A training seminar for core association members and project staff on extension methodologies and marketing skills was completed in early December. A survey designed to evaluate extension's role in improving technical and marketing skills of entrepreneurs began in early February. The objective of the survey is to determine the impact of extension activities on improving the technical and business knowledge and skills of entrepreneurs and the methods used by them in disseminating information to their clients

**Credit Facilitation.** This past quarter, KADP staff assisted 12 association members either in preparing loan applications or business plans required to secure funding for their business activities. Due to the holiday schedule of the various involved organizations, many of these applications are still under review. Last quarter, the Canadian Cooperation Support Office (CCSO) provided funding for the start-up of a revolving credit fund of EURO 40,000 (DEM 80,000) for the SHMK Association. Last quarter EURO 15,000 were provided to Standard Flourmill in Gjakova with EURO 25,000 being loaned to the Duraku Flourmill this quarter. To date, both mills have successfully met their respective repayment schedules.

KADP staff continued coordinating training events with other USAID-funded projects in an effort to provide optimum utilization of USAID project resources. Various staff members participated in KBS training on a weekly basis, a business workshop organized by KBS and MBRC, and a KBS sponsored workshop on double entry bookkeeping. In conjunction with CFA and the World Bank, KADP staff organized a seminar on Kosovo Accounting Standards that had over 150 participants. Also, project staff provided training in bookkeeping and financial analysis to the ANADRINI Association.

**Agro-Processing and Marketing.** Project staff assisted ABU STCs to develop a long-term comparative analysis of Kosovo's agriculture sectors.

In addition, staff provided assistance to the STC fertilizer specialist funded by KADP to work with the TADAFRD in developing fertilizer regulations for Kosovo. Prior to his departure the STC (D. Rutland) conducted a workshop to introduce the drafted regulations.

**Monitoring and Survey.** Monitoring of the CORDAID loans to KODAA and SHPUK members continued in conjunction with CORDAID. Five have been taken to court for default.

Monitoring and survey staff conducted a comprehensive survey of the poultry industry last quarter and interviewed 120 poultry farmers from throughout Kosovo. They also surveyed corn and potato yields for 2001 and began a survey of the impact of IFDC extension activities (previously noted) on the technical and business knowledge of the Kosovar agri-inputs dealers.

## KADP Project Activities in Support of Workplan Objectives

### 1. Association Development

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
<b>I. Association Development</b>	<b>66% increase in membership:</b> <b>KODAA: 120 (Baseline); 150 in PY1; 165 in PY2</b> <b>SHMK: 50 (Baseline); 60 in PY1; 70 in PY 2</b> <b>SHPUK: 50 (Baseline); 70 in PY1; 95 in PY 2</b>					
1. Joint Advocacy						<ul style="list-style-type: none"> <li>AKA Executive Director selected as KNAP Advocacy Training participant.</li> </ul>
<b>II. Alliance Development (Groups in AKA willing to share resources)</b>						
1. Business Plan						<ul style="list-style-type: none"> <li>Final draft completed.</li> </ul>
2. Incorporation/Registration						<ul style="list-style-type: none"> <li>AKA foundation meeting held on 7<sup>th</sup> September with over 40 representatives of AKA member associations, UNMIK organs, local and international organizations and media.</li> <li>Official UNMIK registration occurred on 22<sup>nd</sup> October (NGO registration no. 5101081-7). Stamps made and bank account opened.</li> </ul>
3. Start Resource Sharing						<ul style="list-style-type: none"> <li>Two AKA board meetings held to discuss pooling of resources and policy positions. [see section 2 below]</li> <li>Joint AKA position developed and presented at policy seminar on VAT on October 23<sup>rd</sup>.</li> <li>Five joint KODAA/SHPUK field days held on maize, soybean and sunflower demonstration. [see section 3 (Private Sector Extension Services) below]</li> </ul>
<b>III. Individual Associations (KODAA, SHMK, SHPUK)</b>	<b>Each association will average one significant policy or procedural improvement</b>					
1. Regional Meetings						<ul style="list-style-type: none"> <li>KODAA – 1 general meeting with multiple guest speakers, 6 national board meetings.</li> <li>SHMK – 3 “national” board meetings; 1 general meeting with Hungarian wheat trader.</li> <li>SHPUK – 2 national board meetings, 1 regional meeting</li> </ul>

2. Membership Drive					<ul style="list-style-type: none"> <li>Assn executive directors attracted new members through renewed member contact and visits</li> <li>KODAA directory increases membership as part of membership drive strategy</li> </ul>
3. Mass Media Image Promotion					<ul style="list-style-type: none"> <li>KODAA member directory completed -- self financed through advertising and completed in February 2002</li> </ul>
4. Advocacy					<ul style="list-style-type: none"> <li>Regular dialogue with CFA, UNMIK Pillar IV, DAFRD, FAO and political parties</li> <li>See section 2 (Policy Analysis and Implementation) below</li> </ul>
5. Joint Purchases	1+ per association				<ul style="list-style-type: none"> <li>Joint purchase attempted by SHMK, price was too high from Hungary and members prefer to buy individually from Yugoslavia.</li> <li>SHPUK members jointly bid on large quantity of FFP maize.</li> </ul>
6. Credit Access	Increase access to credit through increased business training, loan applications, et.				<ul style="list-style-type: none"> <li>Presentations made at association meetings on balance sheets and income statements</li> <li>See section 5 (Credit Facilitation) below</li> </ul>
7. Dues Collection	Collection begins in July				<p>Financial members of assns have risen as follows over the quarter:</p> <ul style="list-style-type: none"> <li>KODAA – 93</li> <li>SHMK – 40</li> <li>SHPUK – 45</li> </ul>
8. Bank Accounts	Established & growing, as listed in Strategic Plan				<ul style="list-style-type: none"> <li>Bank accounts receiving deposits from membership dues and member services</li> </ul>
9. Fee for Service Collection	Collection begins in July				<p>The total amount of dues and fees collected by the associations over the quarter were as follows:</p> <ul style="list-style-type: none"> <li>KODAA – 150 DEM (dues), 12,400 DEM (fees)</li> <li>SHMK – 400 DEM (dues)</li> <li>SHPUK – 350 DEM (fees)</li> <li>KODAA fertilizer consortium members have agreed to pay KODAA 0.3% of value of fertilizer purchased as contribution towards procurement negotiations and business plan preparation costs. Six members have made their payment.</li> <li>Six SHPUK members paid DEM 500 each towards cost of trade mission to the Netherlands</li> </ul>



## 2. Policy Analysis and Implementation

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
AKA Development	Sustainable alliance with policy capability					<ul style="list-style-type: none"> <li>Three monthly board meetings held to agree on membership dues, policy strategy, and interaction with new government structures and regional contacts.</li> <li>Five applications made, two shortlisted and one accepted for the USAID Kosovo NGO Advocacy Project. AKA/KADP representative attends first two sessions of KNP advocacy trainer training program.</li> <li>Five AKA member associations pay a total of 1,180 € in dues for 2001.</li> <li>Two AKA member associations pay a total of 714 € in dues for 2002.</li> <li>Receipts totaling 740 € paid into AKA account for newsletter advertising and other services.</li> <li>Proposal drafted for fee-generating agribusiness accounting service to be provided by AKA.</li> <li>Applications drafted for CIDA/KLIP funding for two AKA members associations.</li> </ul>
	Established AKA/KADP relationship					<ul style="list-style-type: none"> <li>Staff organizes and attend monthly AKA board meetings.</li> <li>AKA executive directors, association representatives, and KADP staff coordinate activities at weekly AKA executive meetings.</li> <li>Staff provides policy updates at one association general meeting (KODAA) and two board meetings (SHMK and SHPUK).</li> <li>Joint AKA/KADP representation at all official meetings.</li> <li>Provide backup to AKA management in preparation of policy positions and correspondence and organization of events.</li> </ul>
	AKA/KADP links to decision-makers					<ul style="list-style-type: none"> <li>Post-election political developments monitored by AKA/KADP and initial analysis of deputies of the Kosovar Assembly conducted to identify key players in agribusiness policy.</li> <li>Key Kosovar deputies contacted for involvement in a discussion of the Kosovar and Albanian agricultural policy outlook to be held in March 2002.</li> <li>AKA/KADP invited to attend first CFA roundtable on fiscal issues and provided input on CFA position regarding 40% rise in bread prices.</li> <li>Agribusiness data exchange with CFA initiated.</li> <li>AKA/KADP coordination meeting in January with 2 DAFRD divisional directors.</li> <li>13 additional meetings attended by AKA/KADP staff on policy related issues with UNMIK bodies and local and international organizations (DAFRD, CFA, EAR, Pillar IV, ABU, et al).</li> <li>AKA/KADP represented at bi-weekly agricultural NGO coordination meetings.</li> </ul>

Fiscal Policy Reform	Established APSU position at policy table					<ul style="list-style-type: none"> <li>• AKA/KADP invited to attend first two CFA roundtables on fiscal issues.</li> <li>• Liaison with TADAFRD and EAR on agri-input regulatory issues.</li> </ul>
	Removal of customs duty on inputs					<ul style="list-style-type: none"> <li>• Assist AKA to establish position on customs duties in PY2Q1-2.</li> <li>• Given current UNMIK position and the fact that fiscal policy remains part of SRSG reserved powers, holding position adopted by AKA/KADP on customs duty removal on advice of USAID.</li> <li>• AKA/KADP ready to reinitiate advocacy on customs duties when suitable opportunity arises.</li> </ul>
	Establishment of a more level playing field					<ul style="list-style-type: none"> <li>• AKA position on level playing field established in PYQ5-6.</li> <li>• Given current UNMIK position and the fact that fiscal policy remains part of SRSG reserved powers, holding position adopted by AKA/KADP on fiscal level playing field on advice of USAID.</li> <li>• AKA/KADP ready to reinitiate advocacy on level playing field when suitable opportunity arises.</li> </ul>
	Association awareness of VAT application					<ul style="list-style-type: none"> <li>• Training in VAT application and international accounting standards held in conjunction with USAID/KBS and CFA for association members above the DEM 200,000 threshold in application of VAT and new taxes.</li> <li>• Survey prepared for association members above the DEM100,000 threshold to ascertain level of understanding of VAT and Kosovar accounting standards.</li> <li>• Survey results will act as the basis for further training and development of a planned accounting / tax advisory service within AKA.</li> </ul>
Commercialization / Privatization	Re-starting production on SOEs					<ul style="list-style-type: none"> <li>• AKA/KADP worked according to action plan for commercialization agreed with USAID on basis of STC Cemovich report from PY2Q1.</li> <li>• Representatives of UNMIK reserved powers in agriculture prove resistant to take the AKA/KADP commercialization initiative (meeting of SOE directors) further pending the new regulation on the establishment of the KTA and the establishment of a Kosovar government.</li> </ul>
	DAFRD agreement of privatization strategy					<ul style="list-style-type: none"> <li>• Privatization initiative shelved at post STC meeting with USAID in PY2Q1.</li> <li>• Contact maintained with USAID commercial law department on developments relating to KTA establishment.</li> <li>• AKA and KADP representatives attend and present on privatization of agricultural land at regional privatization conference in Gjakova.</li> <li>• KADP representatives give 40 minute interview on obstacles and possibilities for land privatization in Kosovo on Radio Kosovo's <i>Agricultural Program</i>.</li> <li>• KADP staff contribute article to AKA newsletter on land privatization issues.</li> <li>• New SRSG Steiner declares privatization as his priority economic reform in Kosovo at end February 2002.</li> </ul>

Staff Training	Core staff trained to continue policy work					<ul style="list-style-type: none"> <li>• Three presentations by staff made at project presentation sessions.</li> <li>• One AKA/KADP representative attends initial USAID KNAP trainer training sessions on advocacy techniques for NGOs in Albania and Kosovo, prior to initiating training of a broader AKA policy capacity.</li> <li>• Four AKA/KADP representatives attend association/policy study trip to USA organized by the Agricultural Association of Iowa. Further training of AKA representatives are planned on the basis of 'lessons learnt' in the US.</li> <li>• Staff attend USAID/KBS training in accounting.</li> <li>• Staff attend UNMIK and NGO training on wage and profits taxes, money laundering and the Euro changeover, privatization and the new Kosovo accounting standards.</li> <li>• KADP and AKA representatives included in DAFRD/EFRP seminars on dairy production and processing, and the new fertilizer legislation.</li> </ul>
	Training in Albanian policy environment					<ul style="list-style-type: none"> <li>• Follow-up to policy study tour to Albania in PY2Q2 included the organization of a return visit to Kosovo for a delegation of IFDC/AAATA, KASH and Albanian parliamentary representatives, scheduled for early March 20002.</li> <li>• The return study tour aims to introduce Albanian delegates to the Kosovar policy environment, deepen AKA relations with UNMIK and Kosovar structures and establish a six-month workplan for joint AKA/KASH activities based on the MoU signed in PY2Q2.</li> </ul>
	Knowledge of Kosova policy environment					<ul style="list-style-type: none"> <li>• Local staff draft second in a series of analyses of agricultural policy developments in Kosovo.</li> <li>• Local staff conduct preliminary analysis of deputies in Kosova Assembly in order to target future decision makers in agribusiness policy.</li> </ul>
	Training in Croatian/Slovenian environment					<ul style="list-style-type: none"> <li>• Contacts made with Slovenian and Croatian agricultural representatives and initial proposal and schedules drafted.</li> <li>• Refocusing of project activities result in policy study trip planned for PY2Q3 being put on hold.</li> </ul>
	Training in advocacy and data sourcing					<ul style="list-style-type: none"> <li>• STC on government and media relations cancelled due to reassessment of priorities.</li> <li>• STC on implications for Kosovo from the South East European Stability Pact sought from stability pact projects with potential to cover bulk of STC costs.</li> <li>• Stability pact research/training planned for PY2Q4.</li> </ul>
Crop Diversification	Increased understanding of potential					<ul style="list-style-type: none"> <li>• Fruit and vegetable STC completed, seminar held and report drafted in PY2Q2.</li> <li>• ABU comparative advantage STC Lingard assisted in drafting of Kosovar comparative advantage report. Preliminary findings showed recommendations for further lending in the milk, wheat and potato subsectors.</li> </ul>

Framework Regulations	Improved regulatory framework					<ul style="list-style-type: none"> <li>• Regulation on fertilizers drafted for TADAFRD/EFRP after consultation with KADP and KODAA representatives by IFDC fertilizer STC Rutland.</li> <li>• Assistance offered to EAR seed regulation STC Dickie by KADP and KODAA.</li> <li>• Input provided to TADAFRD CPC STC Ogilvy by KADP and KODAA.</li> </ul>
Food Safety & Quality Control	Improvements to regulation and monitoring					<ul style="list-style-type: none"> <li>• Food Safety and Quality Control activity planned for PY2Q4.</li> </ul>
	Increased association awareness of issues					<ul style="list-style-type: none"> <li>• Food Safety and Quality Control activity planned for PY2Q4.</li> </ul>

### 3. Private Sector Extension Services

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
<b>I. Strategic Crops</b>	<b>Increased farm production (average yields)</b>					
1. Wheat	<b>17% PY1; 4% PY2</b>					<ul style="list-style-type: none"> <li>• FAO/WFP and IFDC concur that 2000/01 winter wheat yields increased by 33% compared to previous year (av. 3.3MT/ha)</li> <li>• Domestic deficit 120,000MT</li> </ul>
2. Potatoes	<b>10% PY1; 10% PY2</b>					<ul style="list-style-type: none"> <li>• Area planted reduced by 15%</li> <li>• Yield increased by 25% (10.2MT/ha)</li> </ul>
3. Maize	<b>12% PY1; 9% PY2</b>					<ul style="list-style-type: none"> <li>• Area planted reduced by 20%</li> <li>• Yield increased by 35% (4MT/ha)</li> </ul>
<b>II. Package of Practices Developed</b>						
B. YR. 2001/2002.	<b>Avg. ton per ha in PY 2</b>					
1. Wheat	<b>2.8 T</b>					<ul style="list-style-type: none"> <li>• Average wheat yield was 3.3 tons/hectare.</li> </ul>
2. Potatoes	<b>10.0T</b>					<ul style="list-style-type: none"> <li>• Average potato yield was 24 MT/hectare.</li> </ul>
3. Maize	<b>3.6 T</b>					<ul style="list-style-type: none"> <li>• Average maize yield was 4 MT/hectare.</li> </ul>
4. Other						<ul style="list-style-type: none"> <li>• 8 packages of brochures outlining best practices developed (including maize, soybeans, potatoes, sunflower) and distributed via association members printed and electronic media and technical publications.</li> <li>• 7 brochures on poultry management and disease control developed and distributed via association members.</li> <li>• Plan drafted for refocusing extension activities involving MAFRD on implementation throughout Kosova of technology packages tested in field crop demonstrations</li> </ul>
<b>III. On Farm Trial Program Designed</b>						
B. YR. 2001/2002						<ul style="list-style-type: none"> <li>• Winter wheat demonstration planting completed</li> <li>• Spring wheat demonstration completed, introducing 8 new spring wheat varieties.</li> <li>• Crop diversification program in livestock, which includes new crops such as lentils, peas, chickpeas, and vetch, introduced.</li> <li>• 30 new wheat varieties sown in demonstration plots and 7 different technology packages initiated</li> </ul>

<b>IV. TTC Identified and Contracted</b>						
A. Central KODAA Region	1					<ul style="list-style-type: none"> <li>Identified (Fushe Kosove); demonstrations with wheat varieties, seeding rates, fertilizer application rates and formulations</li> </ul>
B. Western KODAA Region	1					<ul style="list-style-type: none"> <li>Identified (Prizren); demonstrations with wheat varieties, seeding rates, fertilizer application rates and formulations</li> </ul>
C. Eastern KODAA Region	1					<ul style="list-style-type: none"> <li>Wheat demonstration plots in Gjilane and Kamenica planted by KODAA dealers</li> </ul>
<b>V. Field Demonstrations at TTC</b>						
	<b>Year 2000/2001: Total Demonstration/Treatments: 10</b>					
A. Wheat	5					<ul style="list-style-type: none"> <li>For 2001/02: 2 sites x 2 replications x 30 varieties; 2 sites x 7 fertilizer treatments; 2 sites x 5 seeding rates</li> </ul>
B. Soybean	2					<ul style="list-style-type: none"> <li>For 2001: 2 sites x 2 replications x 14 varieties</li> </ul>
C. Maize	3					<ul style="list-style-type: none"> <li>For 2001: 2 sites x 2 replications x 29 varieties; 1 site x 10 varieties</li> <li>For 2001 sunflowers: 3 sites x 6 varieties</li> </ul>
	<b>Year 2001/2002: Total Demonstration/Treatments: 101</b>					
A.. Wheat	38					<ul style="list-style-type: none"> <li>For 2001/02: 2 sites x 2 replications x 30 varieties; 2 sites x 7 fertilizer treatments; 2 sites x 5 seeding rates</li> <li>One site includes 8 varieties, 2 replications of spring wheat.</li> </ul>
B. Soybean	14					<ul style="list-style-type: none"> <li>Two sites, two replications, thirteen varieties.</li> </ul>
C. Maize	13					
D. Forage legumes	36					<ul style="list-style-type: none"> <li>Three new crops, eighteen varieties, two sites, two replications</li> </ul>
<b>VI. Field Days</b>						
A. Central KODAA Region	2					
B. Western KODAA Region	2					
C. Eastern KODAA Region	2					

<b>VII. Surveys on technical and marketing skills of entrepreneurs</b>	<b>2 Surveys: Entrepreneur's Technical Knowledge and Transfer Skills</b>					
A. Pre-Extension Training						
B. Post- Extensions Training						<ul style="list-style-type: none"> <li>Extension marketing course conducted by Ag. Uni of Krakow specialists in Prishtina</li> <li>Survey started on entrepreneurial and extension skills of association members. Data will be process by March 31.</li> </ul>
<b>VIII. Extension Methodology training/marketing skills</b>	<b>4 Extension Methodology Training: By Input Context</b>					
A. Seed	1					
B. CPC	1					
C. Fertilizer	1					
D. Other	1					<ul style="list-style-type: none"> <li>See Section 3.VII.B above</li> </ul>
<b>IX. Product sales increase</b>	<b>Increase of sales</b>					
Fertilizer	<b>15% in PY1; 20% in PY2</b>					<ul style="list-style-type: none"> <li>Approx. 10,000MT of urea imported by KODAA members for spring 2002 season</li> </ul>
Seeds	<b>40% in PY1; 45% in PY2</b>					<ul style="list-style-type: none"> <li>1000 MT of potato seed imported</li> <li>700 MT of seed maize imported</li> </ul>
CPC's	<b>50% in PY1; 50% in PY2</b>					
Eggs domestically produced	<b>7% in PY1; 12% in PY2</b>					<ul style="list-style-type: none"> <li>A Technical Education Master Plan finalized for SHMK and SHPUK members for implementation in Q7-8. Extension direction and goals were refocused.</li> </ul>

#### 4. Agro-Processing and Marketing

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
<b>Industry Analysis: Trends and Feasibility. Two comparative advantage studies and five feasibility studies completed by project end.</b>						
Rapid Appraisal: Kosovar Ag. Comparative Advantage						<ul style="list-style-type: none"> <li>Cooperating with ABU STC Lingard through provision of information for comparative advantage study; results expected in PY7Q</li> </ul>
Agricultural Commodity Storage						<ul style="list-style-type: none"> <li>To be done in-house in PY 8Q.</li> </ul>
Feed and Flour						<ul style="list-style-type: none"> <li>Flour milling industry analysis conducted and report submitted by Swiss milling equipment manufacturers Buhler</li> </ul>
Poultry: Egg						
Seed						<ul style="list-style-type: none"> <li>Cooperating with EFRP STC Peter Dickie through provision of information for study of feasibility of local seed production</li> </ul>
Vegetable						<ul style="list-style-type: none"> <li>Fruit and vegetable sector analysis conducted and report submitted by Israeli Agridev consultants</li> </ul>
Long-term comparative advantage study completed						<ul style="list-style-type: none"> <li>ABU STC Lingard completed comparative advantage study; results to be used as part of new project proposal.</li> <li>Upon completion of USAID Ag Assessment, results will be used to maximize project impact.</li> </ul>
<b>Identify Critical Targets and Target Technical Assistance</b>						
Business Profiles	105 client site visits					<ul style="list-style-type: none"> <li>On-going. 6 additional client site visits completed, bringing the total for PY2 to 84</li> </ul>
Business counseling	35 clients receive business mgmt counseling					
Business plan preparation	BP and marketing plans completed as demanded					<ul style="list-style-type: none"> <li>3 additional business plans and 4 additional loan applications completed.</li> <li>5 business plans on-going and 5 to be assisted with loan applications.</li> </ul>
Business advisor recruited	Enterprise Advisor in place					
<b>Technical Assistance. TA will increase agri-input availability as follows: Fertilizer: 40,000 MT (baseline), 60,000 MT in PY 1, 70,000 MT in PY 2. Seeds: 16,000 MT (baseline), 22,000 MT in PY 1, 30,000 MT in PY 2.</b>						
Fertilizer Specialist: International Procurement and Marketing Specialist						<ul style="list-style-type: none"> <li>Fertilizer STC completed in conjunction with TADAFRD. Conducted Fertilizer Regulatory Workshop with 23 attendees.</li> </ul>



(EAR companion project)						
Poultry Specialist						
Fertilizer Marketing Specialist						<ul style="list-style-type: none"> <li>Seminar on "Marketing of Agricultural Products in December.</li> </ul>
<b>Volunteers/Specialists</b>						
Feed Milling	Detailed study of feed milling industry, seminar to associations					<ul style="list-style-type: none"> <li>Report on potential conversion of flour milling capacity to feed milling submitted by Swiss milling equipment manufacturers Buhler</li> <li>ToRs prepared for feed milling STC scheduled for PY7Q</li> </ul>
Poultry	Detailed study of poultry industry with recommendations, seminar to associations					
Seed Identification	Training provided to associations					<ul style="list-style-type: none"> <li>KODAA members attend EFRP STC Peter Dickie seed seminar at Prishtina University</li> </ul>
Pesticide: Sources, Use, Regulations	Training provided to associations					<ul style="list-style-type: none"> <li>Completed in Y2Q1 in conjunction with Crown Agents, UK.</li> </ul>
<b>STC</b>						
Fertilizer: Bulk Blending	Training provided to associations					<ul style="list-style-type: none"> <li>Fertilizer STC completed in conjunction with DAFRD.</li> </ul>
Fertilizer: International Procurement	Training provided to associations					
Fertilizer: EFMA European Markets	Training provided to associations					
Seed Regulations	Training provided to associations in conjunction with DAFRD					<ul style="list-style-type: none"> <li>KODAA members attend EFRP STC David White seed regulation seminar at Prishtina University</li> <li>Additional training in conjunction with EFRP project anticipated for PY7Q</li> </ul>
Animal Nutritionist: Feed Regulations	Detailed study of poultry industry feed formulation options, seminar to associations					<ul style="list-style-type: none"> <li>ToR prepared for STC on feed formulation options; scheduled for PY7Q</li> </ul>
Vegetable	Detailed study of diversification options with recommendations, seminar to associations					<ul style="list-style-type: none"> <li>Fruit and vegetable sector analysis conducted and seminar held for regional vegetable producer association Anadrini by Israeli Agridev STCs</li> </ul>
Food Processing Specialist: Quality and Safety	Detailed study on areas requiring improvement in the establishment of food safety and quality control in conjunction with DAFRD, seminar to associations					
Potato	Study of seed potato production options, recommendations, seminar to associations					<ul style="list-style-type: none"> <li>Agreement was reached with seed potato producers association in testing and introducing new varieties with higher commercial value.</li> </ul>

Greenhouse	Study of greenhouse production economics, crop options, recommendations, seminar to associations					<ul style="list-style-type: none"> <li>• Seminar by Geothermiki – leading Greek manufacturer of greenhouses.</li> <li>• Group of interested association members visited Geothermiki HQ in Greece.</li> </ul>
Management	Training provided to associations					<ul style="list-style-type: none"> <li>• US Association Executive Director provides management training for association members</li> </ul>
Marketing	Training provided to associations					<ul style="list-style-type: none"> <li>• Polish marketing consultants conducted seminar on “Marketing of Ag Products.”</li> </ul>
<b>Commercial Training Abroad</b>						
Trade Missions	Minimum 1 trade mission per quarter. Increase in number of international suppliers / buyers					Trade mission for seventeen KODAA members to Greece

## 5. Credit Facilitation

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
Identify sources of credit	List of credit facilities updated and distributed					
Financial services	BP prepared for requesting association members					<ul style="list-style-type: none"> <li>2 BPs prepared for SHMK members for 168,000 €</li> <li>1 BP prepared for SHPUK members for 15,000 €</li> <li>5 BPs on-going</li> </ul>
	Financial counseling provided to clients					<ul style="list-style-type: none"> <li>Financial counseling provided to 2 SHPUK members, 13 KODAA members and 3 SHMK members</li> </ul>
	Assisted with completing loan applications					<ul style="list-style-type: none"> <li>4 loan applications completed</li> </ul>
	Prepared business diagnostics form					
	Distributed monthly article on business					<ul style="list-style-type: none"> <li>2 articles published in project newsletter</li> </ul>
Screen loan applicants	Monitored loan repayments of funds disbursed by MFIs					<ul style="list-style-type: none"> <li>On-going monitoring of 13 SHPUK members and 5 KODAA members with CORDAID loans</li> <li>Monitoring 11 KODAA members with outstanding ABU/KBFF loans</li> <li>Monitoring 2 SHMK members with outstanding CCSO/SHMK loan</li> </ul>
	Qualified applicants assisted in loan application					<ul style="list-style-type: none"> <li>Assisted 1 SHMK, 6 SHPUK and 1 KODAA member in applying for loans</li> </ul>
Staff Training	Association marketing plans completed					
	Able to create professional excel spreadsheets					<ul style="list-style-type: none"> <li>Excel training completed</li> </ul>
	Able to use Access					
	Weekly attendance at KBS in-house business training					<ul style="list-style-type: none"> <li>On-going topics: <ul style="list-style-type: none"> <li>Organizational behavior</li> <li>Professionalism &amp; personal ethics</li> <li>Consulting quality</li> <li>Marketing plan development</li> <li>Trade &amp; investment</li> <li>Managerial finance</li> <li>ISO 9001</li> <li>Manufacturing operations</li> <li>Corporate governance</li> <li>Accounting</li> </ul> </li> </ul>
	Able to prepare business plans with minimal supervision					<ul style="list-style-type: none"> <li>Completed. ABU business plan workshop and practical</li> </ul>

						experience
	Able to complete financial statements					<ul style="list-style-type: none"> <li>ABMU staff attended <ul style="list-style-type: none"> <li>KBFF micro-lending seminar</li> <li>Pillar IV Business Pack seminar</li> <li>KBFF credit risk analysis training</li> <li>KBFF double-entry book keeping seminar</li> <li>CFA profit &amp; wage tax seminar</li> <li>IFDC in-house training</li> </ul> </li> </ul>
	Conducted business training seminars to associations					<ul style="list-style-type: none"> <li>On-going.</li> <li>Training on balance sheets, income statements and loan application procedures to association members</li> </ul>
Association Training	Conducted training seminar on preparing business plans					
	Conducted training on financial management, financial statements					<ul style="list-style-type: none"> <li>On-going.</li> <li>Training on Kosovo Accounting Standards, Income Statements, Business Plans, enterprise analysis, euro conversion, VAT, bookkeeping.</li> </ul>
	Increased use of basic financial management practices					
	Associations operated independent of IFDC					
NGO Coordination	Coordinated training with KBS					<ul style="list-style-type: none"> <li>On-going. IFDC personnel attend weekly KBS consultant training</li> <li>Organized Kosova accounting standards seminar in conjunction with KBS, World Bank and Central Fiscal Authority.</li> <li>Attended KBS-MBRC B2B workshop</li> <li>Agreed weekly coordination meetings with KBS</li> </ul>
	Notified MFIs of possible problem loan repayments					<ul style="list-style-type: none"> <li>ABU/KBFF provided with update on fertilizer sales progress by 11 KODAA members</li> </ul>
	Screened loan applicants from trade associations					<ul style="list-style-type: none"> <li>Utilized a pre-screening checklist to select qualified association members potential loans</li> </ul>

## 6. Trade and Procurement

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
	<b>Intensive staff training begins PY 1Q</b>					
A. Input Procurement: Negotiation and Documentation						<ul style="list-style-type: none"> <li>• Contact established with agri-input suppliers from Italy, Turkey, Greece, Austria, Netherlands and Balkan neighbors</li> <li>• Training on negotiation/documentation attended by international procurement staff</li> </ul>
B. Freight Forwarding/Logistics						<ul style="list-style-type: none"> <li>• Training on forwarding/logistics attended by international procurement staff</li> <li>• List of freight companies updated</li> </ul>
C. Trade Mission Management						<ul style="list-style-type: none"> <li>• Trade mission to Austria/Switzerland for SHMK</li> <li>• Trade mission to Greece for KODAA</li> <li>• Trade mission to Netherlands for SHPUK</li> </ul>
D. WTO and EU Trade Parameters						
Entrepreneur Orientation:	<b>5 International/Regional linkages are made by PY1</b>					
A. International and Regional Opportunities: Linkages						<ul style="list-style-type: none"> <li>• Contact established with agri-input suppliers from Italy, Greece, Austria, Netherlands and Balkan neighbors</li> <li>• Training on negotiation/documentation attended by international procurement staff</li> </ul>
B. International Procurement						<ul style="list-style-type: none"> <li>• Advertisement released for supply with bakery equipment for ABU loan.</li> <li>• Advertisement released for supply of seed cleaning and flour milling equipment at the request of association members.</li> </ul>
	<b>Donor Commodity Aid Logistical Management</b>					<ul style="list-style-type: none"> <li>• Facilitated supply of agri-inputs to minority groups via UNMIK/KFOR and KODAA/SHMK</li> </ul>
Establish International and Regional Market Connections.	<b>Clients will attend 3 trade missions, 4 inter-Balkan conferences and 6 trade fairs</b>					
A. Inputs						
1. Fertilizer Brokers						<ul style="list-style-type: none"> <li>• See below</li> </ul>
2. Seed and CPC Companies						<ul style="list-style-type: none"> <li>• See below</li> </ul>
B. General						<ul style="list-style-type: none"> <li>• See below</li> </ul>
1. Regional Trade Missions:						<ul style="list-style-type: none"> <li>• Trade missions to Slovenia, Albania and Greece</li> </ul>
2. Inter-Balkan ATA						<ul style="list-style-type: none"> <li>• KASH will visit AKA in Pristina.</li> </ul>

Conferences: Kosova, Albania, Macedonia, Bulgaria						<ul style="list-style-type: none"> <li>• Contact established with Italian company supplying bee disease medicines.</li> <li>• Turkish company representative contacted importers of CPC's and discussions are ongoing in supplying household pesticides.</li> <li>• Contact established with Chicken feed suppliers in Albania</li> <li>• Policy study tour planned for AKA representatives to Slovenia and Croatia</li> </ul>
3. Inter-Balkan Trade Fairs						<ul style="list-style-type: none"> <li>• Attendance by association members at Greek agri-trade fair in January</li> </ul>

## 7. Monitoring and Evaluation

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
<b>I. Input Surveys</b>	<b>I. Baseline Studies</b>					
A. Increase (%) in Use						
1. Fertilizer						
2. CPC						
3. Seeds						<ul style="list-style-type: none"> <li>Survey on Impact of IFDC extension activities.</li> </ul>
B. Farm Production Yield						
1. Wheat						
2. Maize						<ul style="list-style-type: none"> <li>Completed</li> </ul>
3. Potato						<ul style="list-style-type: none"> <li>Completed</li> </ul>
C. Income Increases						
1. Farmers Receiving Credit						<ul style="list-style-type: none"> <li>Loan applications and business plans submitted for over DEM 8 million in credit. Approval granted for DEM 6 million.</li> <li>Project proposal for the creation of a DEM 80,000 revolving fund program for the SHMK Association approved by Canadian Cooperation Support Office. DEM 30,000 disbursed.</li> </ul>
2. KODAA dealers Credit						<ul style="list-style-type: none"> <li>10 members approved for DEM 4.9 million in loans from ABU</li> <li>1 member received DEM 220,000 from KBFF</li> </ul>
D. New Investment						
1. KODAA Bank Equity						
2. Loan Indemnity						
3. Agribusiness Equity						
4. Credit Funds for KODAA						<ul style="list-style-type: none"> <li>See Section 7.C.2 above</li> </ul>
E. Cost Sharing						
<b>II. Association Parameters</b>						
A. Membership						<ul style="list-style-type: none"> <li>Currently have 178 financial members in three associations.</li> </ul>
B. Budget: Dues and Fees						<ul style="list-style-type: none"> <li>KODAA collected DEM 150 in dues and DEM 12,400 in fees</li> <li>SHPUK collected DEM 350 in fees</li> <li>SHMK collected DEM 400 in dues</li> </ul>
C. Advocacy: Initiatives and Achievements						<ul style="list-style-type: none"> <li>See section 2. Policy Analysis and Implementation</li> </ul>
<b>III. Procurement:</b>						

<b>Quantification of Volume, Range and Value.</b>						
A. Inputs						<ul style="list-style-type: none"> <li>Internal project survey conducted on sales of agri-inputs for the period August 2000-August 2001.</li> <li>Internal project survey conducted on progress of fertilizer and wheat sales in autumn, 2001.</li> </ul>
B. Agribusiness Technology and Equipment						<ul style="list-style-type: none"> <li>Internal project survey conducted on poultry industry.</li> </ul>
C. Poultry sector survey						
A. Policy and Advocacy Achievement Reports						<ul style="list-style-type: none"> <li>Bi-annual update on policy developments and AKA/APSU responses June-November 2001 to be drafted in early December 2001.</li> </ul>
B. Ag -Statistics Reports to UNMIK						<ul style="list-style-type: none"> <li>Input/market report regularly distributed to UNMIK and other IOs and NGOs</li> </ul>
<b>IV. PSES</b>						
A. Pre-Training Survey						
B. Post-Training Survey						<ul style="list-style-type: none"> <li>Survey questionnaire of entrepreneurial and extension skills of association members prepared</li> <li>Survey due in February 2002</li> </ul>
<b>V.Credit</b>						
A. Project Credit Component: Internal						
B. CORDAID						<ul style="list-style-type: none"> <li>On-going.</li> <li>2 KODAA members and 3 SHPUK members facing court action from CORDAID loans.</li> <li>Loans with CORDAID continue for 13 SHPUK members and 3 KODAA members.</li> <li>Loan repayment data gathered from CORDAID monthly</li> </ul>
Macro-elements, changes in financial environment, product services, social impact of credit. Macro/external under policy component- see loan agreement KODAA/CORDAID						



## 8. Media and Technical Publications

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
<b>I. Project Mass Media IFDC/Kosova//USAID</b>	<b>Broadcast KADP image spots</b>					
A. TV Spot: Project Concept and Services						<ul style="list-style-type: none"> <li>Ongoing. Regular features and news reports on assn activities, AKA meetings and objectives, agronomic and husbandry advice and PSES activities</li> </ul>
B. Emissions						<ul style="list-style-type: none"> <li>Approx. 10-12</li> </ul>
C. Radio Spot: Same as TV						<ul style="list-style-type: none"> <li>Ongoing. Regular feature and news reports on assn activities, AKA meetings and objectives, agronomic and husbandry advice and PSES activities</li> </ul>
D. Emissions						<ul style="list-style-type: none"> <li>10 short (5-10 minute) and 4 long (20-25 minute) reports</li> </ul>
<b>II. Association Media Package and Events: KODAA, SHMK, and SHPUK</b>	<b>Broadcast KADP-related association image/event spots</b>					
A. Assn. TV Spot: Objectives and Benefits						<ul style="list-style-type: none"> <li>2 TV (5 minute) and 4 radio (10-20 minute) emissions</li> <li>2 radio (35 minutes)</li> </ul>
B. Membership Drive Emissions						<ul style="list-style-type: none"> <li>See above</li> </ul>
C. Assn. Radio Spot: Similar TV						<ul style="list-style-type: none"> <li>See above</li> </ul>
D. Membership Drive Emissions						<ul style="list-style-type: none"> <li>See above</li> </ul>
E. Event Coverage:						
1. General Meetings						<ul style="list-style-type: none"> <li>5 KODAA regional meetings, 2 SHPUK regional meetings, 2 SHMK regional meetings covered by media</li> <li>Seminar on Fertilizer Regulatory System (2 TV and 3 radio stations)</li> </ul>
2. Apex Council						<ul style="list-style-type: none"> <li>One 45-minute TV emission on winter wheat demo program.</li> <li>Meeting with 45 media representatives (TV, radio and newspapers).</li> <li>See section 2 above</li> </ul>
F. Advocacy: Media Round Tables (TV and Radio)						<ul style="list-style-type: none"> <li>See Apex Council E.2. above</li> </ul>
<b>III. PSES</b>						
A.. PSES Concept Introduction: Roundtables and Emissions						<ul style="list-style-type: none"> <li>4 TV and 5 radio emissions (5-10 minutes), plus three newsletters.</li> <li>One 45-minute TV emission on winter wheat demo program.</li> <li>Meeting with 45 media representatives (TV, radio and newspapers).</li> </ul>

B. Coverage of Field Days						
C. Technical Messages						<ul style="list-style-type: none"> <li>• See above</li> </ul>
1. CPC Safety						<ul style="list-style-type: none"> <li>• See above</li> </ul>
2. Fertilizer: General						<ul style="list-style-type: none"> <li>• See above</li> </ul>
3. Quality Seed.						<ul style="list-style-type: none"> <li>• See above</li> </ul>
<b>IV. PSES and Technical Publications</b>	<b>Produce and disseminate 8 technical manuals, brochures</b>					
A. Farmer Audience						
1. Fertilizer and CPC Calendar						<ul style="list-style-type: none"> <li>• 8 packages of technologies prepared and broadcasted</li> <li>• Newsletter produced monthly, raised amount to 1000 copies and distributed to farmers.</li> </ul>
2. Brochures Crop Varieties and Practices: Wheat, Maize, Potatoes						<ul style="list-style-type: none"> <li>• 4 brochures completed and distributed on crop varieties</li> <li>• 7 additional brochures completed and distributed on poultry diseases, nutrition and management practices</li> </ul>
B. Professional Audience: Manual or Technical Paper						
1. Fertilizer Use						<ul style="list-style-type: none"> <li>• Completed</li> </ul>
2. Compound Fertilizers						<ul style="list-style-type: none"> <li>• Completed</li> </ul>
3. Other						<ul style="list-style-type: none"> <li>• Brochure on soybean growing practices completed, brochure on maize best practices completed and distributed.</li> <li>• Brochure on forage legume crops under preparation.</li> <li>• Brochure on milling technology prepared.</li> </ul>